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Chair: Ms. Ruas (Vice-Chair) ..... (Brazil)
Chair of the Advisory Committee on Administrative and Budgetary Questions: Mr. Ruiz Massieu

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In the absence of Mr. Berger (Germany), Ms. Ruas (Brazil), Vice-Chair, took the Chair.

The meeting was called to order at 10.15 a.m.

Agenda item 111: Appointments to fill vacancies in subsidiary organs and other appointments (*continued*)

(b) Appointment of members of the Committee on Contributions (*continued*) (A/67/102/Add.1)

1. **The Chair** drew attention to document A/67/102/Add.1, which indicated that Ms. NneNne Iwuji-Eme (United Kingdom of Great Britain and Northern Ireland) had resigned from the Committee on Contributions and that the Government of the United Kingdom of Great Britain and Northern Ireland had nominated Mr. Thomas David Smith, who had been endorsed by the Group of Western European and other States, to complete the unexpired portion of Ms. Iwuji-Eme's term of office. He said he took it that the Committee wished to recommend the appointment of Mr. Smith to the Committee on Contributions for a term of office beginning on the day of appointment and ending on 31 December 2014.

2. *It was so decided.*

3. *Mr. Smith was recommended for appointment to the Committee on Contributions for a term of office beginning on the date of his appointment and ending on 31 December 2014.*

Agenda item 130: Programme budget for the biennium 2012-2013 (*continued*)

Briefing by the Registrar of the Special Court for Sierra Leone

4. **Ms. Mansaray** (Registrar of the Special Court for Sierra Leone), briefing the Committee on the status of work at the Special Court for Sierra Leone, recalled that the Special Court had received a subvention of $14 million from the United Nations for the completion of its work, $1.5 million of which had been allocated for the transition to the Residual Special Court for Sierra Leone. Since November 2012, the Special Court had received $3.6 million in voluntary contributions — $2 million for its 2012 activities and $1.6 for its 2013 activities. The Special Court was continuing its fundraising efforts in addition to its judicial activities and preparations for the transition to the Residual Special Court.

5. With respect to judicial activities, oral hearings in the *Prosecutor v. Charles Taylor* case had been held by the Appeals Chamber in January 2013, while contempt cases involving six persons had been concluded.

6. With regard to its completion and closure tasks, the Special Court had been carrying out the phased liquidation of its assets and infrastructure and would complete the process by the time the transition to the Residual Special Court took place.

7. The agreement establishing the Residual Special Court had been signed and ratified by the parliament of Sierra Leone and had entered into force. The Headquarters Agreement for the Sierra Leone branch of the court had already been signed; the agreement for the Netherlands branch would be concluded by September 2013, when delivery of the final judgment in the *Taylor* case was expected.

8. The Residual Special Court would carry out the remaining legal obligations of the Special Court: management of the archives, monitoring of enforcement of sentences and supervision of witness protection issues. The Special Court was archiving records and evidence and ensuring that the audiovisual records of court sessions were digitized. That process would be completed during the transition period after delivery of the final judgment in *Taylor*. Threat assessments were being conducted in order to determine the scope of witness protection work to be undertaken by the Residual Special Court. The monitoring mechanism for the enforcement of sentences was being reviewed in order to ensure the integrity of enforcement. The Government of Sierra Leone had signed an agreement with the Special Court under which it would ensure that individuals sentenced to prison terms for contempt would serve their full sentences.

9. The Special Court faced major challenges not only in closing down but also in transitioning to a residual court, for which there was no precedent. One of the main challenges in setting up the Residual Special Court and its information and telecommunications infrastructure was anticipating the precise requirements for its functioning. Archiving was a particularly demanding task, but the Special Court was making every effort to ensure that it would be completed within 8 to 10 weeks of delivery of the final judgment in the *Taylor* case.

Agenda item 132: Improving the financial situation of the United Nations (*continued*) (A/67/522/Add.1)

10. **The Chair**, recalling that the Under-Secretary-General for Management had briefed the Committee on the current financial situation of the Organization at its 30th meeting, held on 10 May 2013, said that his statement from that meeting had been issued as a report of the Secretary-General (A/67/522/Add.1).

11. **Mr. Takasu** (Under-Secretary-General for Management) said that, since 10 May 2013, a number of countries, including Albania, Malta and Zimbabwe, had paid their regular budget contributions in full, bringing to 76 the number of Member States that had done so. With payments by Spain and others, the number of Member States that had paid their contributions in full for peacekeeping had risen from 32 to 36; for the tribunals, the number had increased from 41 to 48. Sierra Leone had paid its contribution for the capital master plan, for a total of 160 Member States that had paid in full. The number of Member States that had paid their contributions in full for all budgets remained unchanged at 29.

12. **Mr. Thomson** (Fiji), speaking on behalf of the Group of 77 and China, said that the Group welcomed the positive aspects of the current financial situation, including the reduced level of outstanding contributions to the regular and peacekeeping budgets and the decrease in unpaid assessments at the end of 2012, compared to the end of 2011, for all categories except the international tribunals.

13. While the Secretariat's efforts to reduce the amount owed to troop-contributing countries were commendable, the reduction from $529 million to $525 million achieved in 2012 was far from sufficient; more should be done to ensure that Member States were reimbursed in full, on time and as a priority. He expressed the hope that the amount outstanding would be decreased substantially by the end of 2013. The matter was of particular concern to the Group as most troop-contributing countries were also developing countries and as such were not in a position to sustain troop commitments and maintain equipment on their own for long periods. He reiterated the request that those countries which had not paid their assessments for peacekeeping budgets in full and on time should do so as soon as possible.

14. The full, timely and unconditional payment of assessed contributions by Member States was an obligation laid out in the Charter. He urged Member States to settle their arrears in a timely fashion, particularly when they had the capacity to do so, for all must meet their commitments in order to enhance the effectiveness and efficiency of the United Nations. The Group rejected all unilateral coercive measures contrary to international law that obstructed or impeded payments by its members of their contributions to United Nations budgets.

15. Expressing satisfaction with the fact that only $3 million remained outstanding in assessed contributions to the capital master plan, he invited Member States that had not yet done so to submit their payments for the project.

16. Lastly, he urged all Member States to meet their financial obligations to the Organization in full, on time and without precondition.

17. **Ms. Power** (Observer for the European Union), speaking also on behalf of the acceding country Croatia; the candidate countries Montenegro, Serbia, the former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process countries Albania and Bosnia and Herzegovina; and, in addition, Georgia and the Republic of Moldova, said that the Organization's work relied on the partnership between the Member States and the Secretariat, which were required, respectively, to provide and utilize funding in a responsible manner. In that regard, the significant level of unpaid assessments remained a matter of concern.

18. Although the current budgetary situation was healthy, there was nevertheless a need to reduce spending while maintaining the delivery of mandates. Steps must be taken to spend more wisely and find new ways of working in order to ensure that the Organization adhered to the agreed budget levels for peacekeeping, construction and regular programmes. Unceasing efforts were required in order to find new ways of working and achieve more effective mandate delivery and sustainable resource use.

19. Noting that the States members of the European Union collectively contributed nearly 35 per cent of the regular budget, far exceeding their share of world gross national income (GNI), and approximately 37 per cent of the peacekeeping budgets, she said that it was imperative to find a more balanced and equitable way to share the financial responsibilities, based on Member States' actual capacity to pay, in order to

secure a sustainable financing architecture for the United Nations system.

20. **Mr. Stojanovski** (Australia), speaking also on behalf of Canada and New Zealand, said that the information regarding the positive financial indicators for 2012 and early 2013 was welcome; however, the failure by some Member States to pay their assessments in full and on time was not only unfair to those States which had done so but also delayed reimbursements to troop- and equipment-contributing countries for the costs they had incurred. The $525 million owed to those countries at the end of 2012 was too high, and the Secretariat's projection that some $496 million would remain owing at the end of 2013 showed that the Organization had great difficulty in fully meeting its obligations to Member States. The level of payments for all amounts owing for troops and formed police units, contingent-owned equipment, letters of assist and death and disability claims depended on Member States meeting their obligations to the United Nations in full and on time.

21. Unpaid assessed contributions also had an adverse impact on cash flow. As at 30 April 2013, $1.4 billion of regular budget contributions remained outstanding. Because of cash shortages, the Working Capital Fund had been used extensively between October 2012 and January 2013, and had nearly been depleted when the borrowing peak reached $149.54 million in November 2012. The Organization had also borrowed from the Special Account in November and December 2012. The liquidity mechanism could function properly only if contributions were paid on time and in full. Member States must remain vigilant about the Organization's financial situation; if the trend seen in 2012 continued, the cash position would again come under significant stress at the end of 2013.

22. The three delegations for which he spoke would continue to demonstrate their commitment to the work of the United Nations by paying their dues in full, on time and without conditions; he urged all Member States to fulfil their Charter obligations in the same way. Eligible Member States should submit multi-year payment plans in order to address fiscal arrears.

23. Improving the financial situation of the United Nations also required the effective management of its resources. Doing more with less was not merely a policy suited for times of fiscal austerity, but a reality that all Governments and intergovernmental entities must live with for the foreseeable future. He therefore welcomed the Secretary-General's efforts to move away from "business as usual" and to focus on delivering results. Just as Member States were doing domestically, the United Nations must review its practices, seek efficiencies, prioritize its activities and streamline its procedures in order to respond to the ever-increasing range of global challenges and deliver on its mandates at a time of decreasing resources.

24. **Mr. Yamamoto** (Japan) said that, under the Charter, it was the responsibility of Member States to pay their assessments in a timely manner. Despite facing financial difficulties in recent years, his Government had faithfully fulfilled that obligation out of a determination to play a role in maintaining international peace and prosperity. It had just adopted its budget for 2013 and would soon settle all its outstanding payments for the regular budget, peacekeeping operations and tribunals.

25. In parallel with the domestic efforts being made by Member States, the Secretariat should seek further efficiencies. The General Assembly should carefully analyse the Secretary-General's budget proposals in order to set realistic levels of resources necessary to implement mandates.

26. **Ms. Moreno Guerra** (Cuba) said that it was heartening that the financial situation had improved somewhat, with a decrease in outstanding assessments at the end of 2012. She welcomed the fact that 143 Member States had fully paid their regular budget assessments by the end of 2012, once again reflecting their commitment to meeting their obligations under the Charter. It was a matter of concern that the Organization's main contributor continued to be its main debtor, a fact that cast doubt on the decision to reduce the ceiling on the assessment rate from 25 to 22 per cent.

27. It was also a matter of concern that the cash position had been negative at the end of 2012 and was projected to be weak at the end of 2013. The Secretariat should make every effort to manage its financial resources in such a way as to minimize the impact. Similarly, Member States should meet their financial obligations in full, on time and without conditions. When adopting budgets, they should also provide the Organization with the necessary resources to fulfil its mandates.

28. The timely payment of assessments was crucial as that would enable the Organization to pay the amounts owed to troop-contributing countries and return to Member States the sums remaining in the accounts of closed peacekeeping missions.

29. The analysis of the Organization's financial situation must also take into account the difficulties that many Members faced in making payment. Developing countries were making enormous efforts to pay their contributions in a context of systemic global crisis. Her delegation reiterated its strong objection to unilateral coercive measures contrary to international law which obstructed or impeded payments by several developing countries to the United Nations.

30. Reaffirming her Government's commitment to multilateralism, the principles and purposes of the Charter and the financial obligations they entailed, she said that Cuba was up to date in its payments for the regular budget and the international tribunals, had paid its contributions for the capital master plan and was making great efforts to pay the amounts owed for peacekeeping operations. It did so despite the financial embargo imposed by the United States Government. Unable to make payments directly using the United States dollar, Cuba was required to pay through a third country and was thus subject to currency fluctuations that affected its capacity to pay. Many Cuban payments to international organizations, including payments made in euros, had been frozen. The embargo, which blocked international cooperation with Cuba, had become even more aggressive and constituted the main obstacle to the country's economic development. Its extraterritorial nature violated international law and the Charter, and the Assembly's repeated calls for its end had been ignored.

31. **Mr. Kisoka** (United Republic of Tanzania), noting that his Government was committed to paying its assessed contributions to the Organization, commended the Contributions and Policy Coordination Service for maintaining the online portal, which provided his delegation with highly useful information on the status of its contributions.

The meeting rose at 10.55 a.m.